

NAVIGANT CAPITAL ADVISORS, LLC
5215 Old Orchard Road, Suite 850
Skokie, IL 60077
Telephone: (847) 583-1618
Facsimile: (847) 583-1719

Financial Advisor to the Official Committee of Unsecured Creditors

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION

In re: § Chapter 11
§
HEARTLAND AUTOMOTIVE § CASE NO. 08-40047-DML:-11
HOLDINGS, INC., *et al.*, §
§ Jointly Administered
Debtors. §

FEE APPLICATION COVER SHEET

Fee Application: Final Fee Application

Applicant: Navigant Capital Advisors, LLC

Time Period: February 6, 2008 through January 31, 2009

Capacity: Financial Advisor to the Official Committee of Unsecured Creditors

Retainer Received: None

Amounts Previously Paid: First and Second Interim Applications

Application	Fees	Expenses	Total Requested	Total Received	Outstanding
First Interim Application	\$268,965.52	\$5,620.33	\$274,585.85	\$274,585.85	\$0.00
Second Interim Application	529,838.71	62,468.44	592,307.15	592,307.15	-
Total	\$798,804.23	\$68,088.77	\$866,893.00	\$866,893.00	\$0.00

**Amounts Requested Through Final Application
(February 6, 2008 to January 31, 2009)**

Total Fees at NCA Standard Rates	\$3,469,730.25
Total Professional Fees Requested	3,048,804.23
Net Difference	<u>\$420,926.02</u>

Professional Fee Summary:

Month	Professional Fees	Out-of-pocket Expenses	Total Requested	Total Received
Feb. 2008	\$118,965.52	\$3,456.41	\$122,421.93	\$122,421.93
Mar. 2008	150,000.00	2,163.92	152,163.92	152,163.92
Apr. 2008	150,000.00	22,654.08	172,654.08	172,654.08
May 2008	129,838.71	9,769.97	139,608.68	139,608.68
Jun. 2008	125,000.00	17,565.66	142,565.66	142,565.66
Jul. 2008	125,000.00	12,408.36	137,408.36	137,478.73
Aug. 2008	125,000.00	14,664.37	139,664.37	114,691.02
Sep. 2008	125,000.00	28,747.17	153,747.17	129,093.47
Oct. 2008	125,000.00	4,376.82	129,376.82	104,376.82
Nov. 2008	125,000.00	12,325.64	137,325.64	112,325.64
Dec. 2008	125,000.00	7,352.23	132,352.23	107,372.23
Jan. 2009	125,000.00	3,361.32	128,361.32	103,291.00
Success Fee	1,500,000.00	-	1,500,000.00	1,200,000.00
Total	\$3,048,804.23	\$138,845.95	\$3,187,650.18	\$2,738,043.18

Total Requested	\$3,187,650.18
Less: Total Received	2,738,043.18
Net Outstanding	\$449,607.00

Expense Summary:

Expense Category	Description	Amount
Airfare	Actual cost to firm for coach class airfare	73,091.37
Communications	Actual cost to firm for internet / telephone charges while traveling	1,143.30
Delivery Services	Actual cost to firm for overnight delivery services	155.57
Ground Transportation / Parking	Actual cost to firm for taxi / rental cars / parking expenses	18,286.71
Lodging	Actual cost to firm for hotel expenses	37,539.35
Meals	Actual cost to firm for travel and working meals	8,013.58
Mileage	Actual cost to firm of reimbursement for mileage	574.23
Research Materials	Actual cost to firm for research reports	41.84
Total Requested		\$138,845.95

Dated: March 9, 2009

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Skokie, IL 60077
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By: _____

John D. Huber

**FINANCIAL ADVISOR TO THE OFFICIAL
COMMITTEE OF UNSECURED CREDITORS**

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Financial Advisors to the Official Committee of Unsecured Creditors

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
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In re: § Chapter 11
HEARTLAND AUTOMOTIVE § CASE NO. 08-40047-DML:-11
HOLDINGS, INC., *et al.*, § Jointly Administered
Debtors.

**APPLICATION FOR APPROVAL OF FINAL APPLICATION OF NAVIGANT
CAPITAL ADVISORS, LLC FOR COMPENSATION AND REIMBURSEMENT OF
EXPENSES AS FINANCIAL ADVISOR TO THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS FOR THE PERIOD FEBRUARY 6, 2008 THROUGH
JANUARY 31, 2009**

Navigant Capital Advisors, LLC (“NCA”) hereby submits its Final Application of Navigant Capital Advisors, LLC for Approval of Compensation and Reimbursement of Expenses as Financial Advisor to the Official Committee of Unsecured Creditors (the “Committee”) for the period February 6, 2008 through January 31, 2009 (“Final Application for Compensation”). NCA respectfully represents:

I. INTRODUCTION

1. NCA is the wholly owned broker-dealer subsidiary of Navigant Consulting, Inc., a specialized independent consulting firm providing dispute, financial, regulatory and operational advisory services to government agencies, legal counsel and large companies facing the challenges of uncertainty, risk, distress and significant changes. NCA is familiar with all aspects of loan workouts, restructuring and bankruptcy. NCA has extensive experience representing debtors and virtually all classes of creditors and equity holders in both out-of-court and in-court workouts and restructurings. NCA has developed the methodologies, resources and expertise required for operational and financial restructuring, due diligence

and financial analysis, pre- and post-bankruptcy planning and case administration, settlement and portfolio valuations, and investigative accounting.

2. The Debtors filed their voluntary petition under Chapter 11, Title 11 of the United States Code on January 7, 2008 and an order for relief under Chapter 11 was entered simultaneously.

3. By application, the Committee sought authority to retain NCA as financial advisors to render services specified in the Application for the Entry of an Order Pursuant to 11 U.S.C. §§ 327(a), 328(a) and 1103(A) and Fed. R. Bankr. P. 2014 Authorizing the Employment and Retention of Navigant Capital Advisors, LLC as Financial Advisor to the Official Committee of Unsecured Creditors nunc pro tunc to February 6, 2008 (the “Employment Application”). On April 25, 2008, a final order was duly signed and entered by the Honorable D. Michael Lynn, United States Bankruptcy Judge, authorizing the retention of NCA.

4. Statements summarizing services rendered and itemizing expenses incurred by NCA are attached as Exhibits A and B to this application.

5. This is NCA’s Final Application for Compensation for professional services rendered and for reimbursement of actual and necessary costs and expenses incurred on behalf of the Committee in the administration of the estate of the Debtor. NCA makes this Application pursuant to the provisions of 11 U.S.C. sections 327 through 331 and Rule 2016 of the Federal Rules of Bankruptcy Procedure, and the *Administrative Order Establishing Procedures for Interim Compensation and Reimbursement of Chapter 11 Professionals and Committee Members* entered on February 12, 2008.

II. SUMMARY OF SERVICES RENDERED

6. By this Application for Compensation, NCA seeks approval and payment for (a) compensation for services rendered from February 6, 2008 through January 31, 2009 and (b) reimbursement for certain expenses incurred during the same period. This is the final application for compensation filed by NCA.

7. In rendering the services for which compensation is sought, managing directors, directors, managing consultants, senior consultants and specialists of NCA spent 7,854.5 hours from February 6, 2008 through January 31, 2009. (Pursuant to the Employment Application, the fees for these services were billed at a

fixed monthly rate of \$150,000 for the first three months following commencement of the case, \$125,000 for each month thereafter and a success fee of \$1,500,000). The fees for the period February 6, 2008 through January 31, 2009 totaled \$3,048,804.23. In addition, NCA incurred ordinary and necessary expenses in connection with the case of \$138,845.95. These fees and expenses represent total costs incurred during this period of \$3,187,650.18. Exhibit A annexed hereto contains a summary description of the services rendered. A detailed statement of expenses is attached as Exhibit B.

8. On January 31, 2009, NCA earned a success fee in the amount of \$1,500,000 upon the successful exit of the Debtor from Chapter 11 pursuant to a Plan of Reorganization supported by the Official Committee of the Unsecured Creditors. NCA was instrumental in developing, negotiating and finalizing the Plan of Reorganization. The Debtor's original Plan of Reorganization included a re-branding of the Debtor to the Castrol Express Lube franchise and was deemed too risky by many of the Debtor's stakeholders. NCA embarked on new Plan of Reorganization with the support of the Office Committee of the Unsecured Creditors, which would keep the Debtor in the Jiffy Lube family, settle all outstanding claims between the Debtor and Jiffy Lube, the Debtor and Shell Oil Products U.S. ("SOPUS"), and any potential claims among the Debtor's stakeholders. NCA led the negotiation with Jiffy Lube and SOPUS establishing a global amendment to the Debtor's franchise agreements and establishing new oil and non-oil prices at advantageous levels for the Debtor. NCA led the negotiation with the Senior Lenders resulting in a reinstatement of the Senior Debt at rates and amortization amounts, which provides the flexibility to the Debtor to meet operational and investment requirements going forward. In rendering these services for which compensation is sought, managing directors, directors, managing consultants, senior consultants and specialists of NCA spent a total of 7,854.5 hours from February 6, 2008 through January 31, 2009. At NCA's standard rates for professional hours incurred during the bankruptcy process, the total cost of NCA's professional fees would be \$3,469,730.25. Including the monthly fixed fees and the \$1,500,000 success fee, the total amount requested is \$3,048,804.23 or 87.9% of standard rates. Exhibit A annexed hereto contains a summary description of the services rendered for all NCA hours.

9. NCA customarily bills the firm's professionals at rates commensurate with the experience of the person performing each service. The billing rates for bankruptcy engagements are the same as other financial advisory work performed by NCA. The billing rates for NCA professionals, applicable to the period of this fee application, are as follows:

Professional	Rate/Hour
Managing Directors	\$545 – 695
Directors / Senior Advisors	475 – 525
Associate Directors	375 – 475
Managing Consultants	345 – 375
Senior Consultants / Associates	235 – 345
Paraprofessionals/Specialists	95 - 125

10. The compensation NCA seeks is reasonable and is for actual and necessary services rendered by NCA. All of the services performed by NCA have been beneficial to the parties to these proceedings and have enabled the case to proceed.

11. The size and complexity of the Debtor's case involves numerous financial issues and requires substantial financial expertise to address the issues. Consequently, the demands of this case have been such that NCA's highly skilled professionals have devoted time and effort to perform properly and expeditiously the required accounting, reviews and analyses and have foregone work on other engagements of similar complexity.

12. During the period from February 6, 2008 through January 31, 2009, NCA provided services to the Committee as set forth below:

Category	Description	Hours Worked
Capital Restructuring Initiatives	Review of the disputes that must be resolved as part of the restructuring.	55.9
Communication Coordination	Preparation, review and organization of written and verbal reports for the Committee.	120.3
Conferences	Communications with Debtor, Debtor's professionals, Counsel to the Committee and NCA professionals regarding current developments in the case and results of financial analyses.	1,301.1

Category	Description	Hours Worked
Drafting and Review of Documents	Review of various documents provided by the Debtor, Debtor's professionals and Counsel to the Committee, including: Debtor contracts (lease & franchise agreements, etc.), term sheet drafts with JLI, SOPUS, senior lenders and equity sponsor, Plan of reorganization drafts, financial projections and monthly financial reports. Review of documents in preparation for meetings with Debtor, Debtor's professionals and Counsel to the Committee and information sent to same.	1,817.9
Financial Analysis	Review of financial records including the Debtor's trial balances and financial statements, operating results at the store level, and incentive compensation programs. Preparation of detailed integrated financial and cash flow projections on a store-by-store basis; monthly store-by-store detailed updates of said projection model; analysis of oil and non-oil pricing; preparation of detailed 4-wall analysis for each Debtor store; analysis of Debtor debt capacity & debt restructuring alternatives; analysis of payments associated with JLI and SOPUS agreements; and sensitivity analysis based on negotiated parameters.	3,721.3
Litigation Support	Preparation for potential deposition and hearings.	8.6
Management Decision Support	Review of Debtor's operating history, credit facilities, and documents provided to support management's restructuring initiatives.	60.7
Prepare and Review of Distributed Materials	Generation, review, and distribution of reports to Debtor, Debtor's professionals and Counsel to the Committee; Quality control of analyses.	427.1
Project Management	Engagement team organization, assignment of roles and responsibilities, reporting assignments and communications.	133.7
Status Update / Review of Findings and Methodologies	Update meetings with the Debtor, Debtor's professionals and Counsel to the Committee with respect to review and results of financial analyses, including review of financial records and bank statement analyses.	48.4
Research	Research of industry, capital markets and other issues in the development of the Plan of Reorganization.	36.8
Travel time	Travel time to meeting with the Debtor and professionals.	122.7
Total		7,854.5

13. The time spent by NCA professionals from February 6, 2008 through January 31, 2009, in performing the procedures described in paragraph 11 is presented below:

Title	Hours Worked
Managing Director	1,846.5
Director	1,934.1
Associate Director	1,190.2
Managing Consultant	2,214.0
Senior Consultant	414.5
Consultant/Associate	199.8
Specialist	55.4
Total	7,854.5

14. NCA's time detail is recorded contemporaneously with the rendition of professional services. Exhibit A contains, a description of the services rendered during the Application period. NCA's time records are maintained in one-tenth of an hour (0.1) increments.

15. Each duty and task performed by NCA has been performed by the professional most qualified to render such services at his or her ordinary hourly charges.

16. There is no agreement or understanding between NCA and any other person, other than the members, associates and employees of NCA, for the sharing of compensation received for services rendered in connection with these proceedings.

17. NCA's professionals have delegated authority where appropriate to prevent duplication of effort, to ensure that consultants and associates were used whenever possible and to utilize the services of professionals who bill at lower hourly rates as much as possible.

18. Where more than one person attended a meeting, such attendance was not a duplication of effort, but was necessary to adequately represent the interests of the Committee, and to have the appropriate expertise available.

19. For all of the reasons set forth in this application, NCA respectfully submits that the services it has rendered and the disbursements it has incurred on behalf of the Debtors during this case have been reasonably expended in order to adequately represent and protect the interests of the estate in this case.

NCA submits further that it has provided such services in an economical and efficient manner. Accordingly, NCA requests that the relief requested in this Application be granted in all respects.

WHEREFORE, NCA PRAYS that this Court enter an order allowing NCA fees and reimbursement of expenses, from February 6, 2008 through January 31, 2009, in the total amount of \$3,187,650.18 (representing \$3,048,804.23 in fees and \$138,845.95 in expenses).

DATED in Skokie, Illinois this 9th Day of March 2009.

NAVIGANT CAPITAL ADVISORS, LLC

By: 

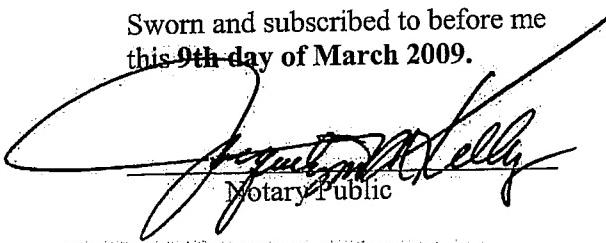
John D. Huber

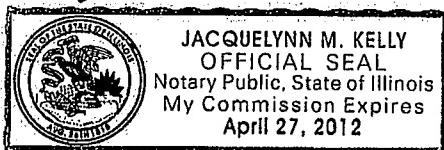
Telephone: (847) 583-1622

Facsimile: (847) 583-1719

**FINANCIAL ADVISOR TO THE OFFICIAL
COMMITTEE OF UNSECURED CREDITORS**

Sworn and subscribed to before me
this 9th day of March 2009.


Jacque Lynn M. Kelly
Notary Public



CERTIFICATE OF SERVICE

The undersigned hereby certifies that he caused this Application to be served via the Court's CM/ECF System and on the parties listed below, with exhibits, by electronic mail and on the parties shown on the attached official limited service list, without exhibits, via United States first class mail, postage prepaid, on the 16th day of March, 2009.

Eric Glover Brian Clark Heartland Automotive Holdings, Inc. 11308 Davenport Street Omaha, Nebraska 68154-2630 eric.glover@jiffyworld.com brian.clark@jiffyworld.com	Office of the United States Trustee George McElreath Erin M. Schmidt 1100 Commerce Street, Room 976 Dallas, Texas 75242 george.f.mcelreath@usdoj.gov erin.schmidt2@usdoj.gov
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/s/ Kevin M. Lippman
Kevin M. Lippman

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Financial Advisors to the Official Committee of Unsecured Creditors

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION

In re:

HEARTLAND AUTOMOTIVE
HOLDINGS, INC., *et al.*,

§ Chapter 11
§ CASE NO. 08-40047-DML:-11
§ Jointly Administered

Debtors.

**DECLARATION OF JOHN D. HUBER IN SUPPORT OF FINAL APPLICATION
OF NAVIGANT CAPITAL ADVISORS, LLC FOR COMPENSATION AND
REIMBURSEMENT OF EXPENSES AS FINANCIAL ADVISOR TO THE
OFFICIAL COMMITTEE OF UNSECURED CREDITORS FOR THE PERIOD,
FEBRUARY 6, 2008 THROUGH JANUARY 31, 2009**

I am a Director with Navigant Capital Advisors, LLC ("NCA"). I am authorized to make this declaration in that capacity and, if called upon to do so, I could and would testify of my own personal knowledge to the facts set forth herein.

John D. Huber, being duly sworn, deposes and says that:

1. I am a Director with Navigant Capital Advisors, LLC, Applicant herein.
2. I have read the application.
3. To the best of my knowledge, information and belief formed after reasonable inquiry, the application complies with the Local Guidelines, as amended and the United States Trustee's Guidelines issued March 22, 1995, by the U.S. Department of Justice, as amended.
4. All interested parties have received and are reviewing or have reviewed the application.
5. In providing a reimbursable service, applicant does not make a profit on that service.

6. In charging for a particular service, applicant does not include the amortization of the cost of any investment equipment or capital outlay.

7. In seeking reimbursement for third party services, applicant requests reimbursement only for the amount billed to the applicant by the third party.

8. Word processing services are not a part of NCA's overhead and, therefore, charges for such services are included as part of the applicant's expenses, where applicable.

9. To the best of my knowledge, information and belief formed after reasonable inquiry, the fees and disbursements sought fall within the Amended Guidelines and the UST Guidelines, except as specifically noted in the certification and described in the fee application and except to the extent that fees or disbursements sought are prohibited by the Amended Guidelines or the UST Guidelines, the fees and disbursements sought are billed at rates and in accordance with practices customarily employed by NCA and generally accepted by NCA's clients.

10. This declaration is submitted in support of the Application of NCA for Approval of Final Application of Navigant Capital Advisors, LLC for Compensation and Reimbursement of Expenses as Financial Advisor to the Official Committee of Unsecured Creditors (the "Application") for the period August 1, 2008 to January 31, 2009 (the "Application Period").

11. A summary of the fees and expenses incurred by NCA in this Chapter 11 case during the Application Period as well as copies of the records maintained in the ordinary course of business by NCA are provided in Exhibits A and B attached to the Application.

12. The following is a summary of the total fees and expenses incurred by NCA during this Application Period:

**Fees and Expenses Sought by this Application
(February 6, 2008 to January 31, 2009)**

Fees	\$3,048,804.23
Expenses	138,845.95
Total	<u>\$3,187,650.18</u>

13. NCA received from the Debtor payments totaling \$274,585.85 for fees and expenses incurred during the first interim compensation period. NCA's fees for the period from retention through March 31, 2008 were allowed on an interim basis by this court. NCA also received payments totaling \$592,307.15 for fees and expenses incurred during the second interim compensation period. NCA's fees for the period from April 1, 2008 through July 31, 2008 were allowed on an interim basis by this court.

I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed at Skokie, Illinois on March 9, 2009.

NAVIGANT CAPITAL ADVISORS, LLC

By: John D. Huber

John D. Huber
Telephone: (847) 583-1622
Facsimile: (847) 583-1719

**FINANCIAL ADVISOR TO THE OFFICIAL
COMMITTEE OF UNSECURED CREDITORS**

Sworn and subscribed to before me
this 9th day of March 2009.

